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November 10, 1994

Office of the Secretary
Federal Communications Commission
1919 M Street, N.W.
Washington, D.C. 20554

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

Re: **GEN Docket 90-314, PP Docket 93-253**
ex parte presentation

Ladies and Gentlemen:

We are submitting two copies of this letter to inform you that we delivered today the original of the attached letter from Eatelcorp., Inc., to Chairman Reed Hundt, with copies to various Commission staff. The issues discussed relate to the Commission's scheduling of upcoming broadband PCS auctions.

We note that the issue of scheduling the entrepreneur's block auctions was not addressed by the action described at the Commission's Open Meeting held today. Moreover, FCC staff indicated that Sunshine Act restrictions did not apply to this issue prior to discussing it at a public meeting of the "Women of Wireless" group held Friday, November 4, 1994. Accordingly, we submit this letter in the belief that this issue is not subject to Sunshine Act restrictions.

Should there be any questions, please contact me at the number listed above.

Sincerely,


Charles D. Cosson

cc: Karen Brinkmann
Pete Belvin
Lisa Smith
Mary McManus
Jill Luckett
Jonathan Cohen

William Kennard, Esq.
Sara Seidman
Gerald Vaughan
Dr. Robert Pepper
Don Gips
Greg Rosston

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**East Ascension
Telephone Company, Inc.**



October 31, 1994

The Honorable Reed Hundt, Chairman
Federal Communications Commission
1919 M Street, N.W. Room 814
Washington, D.C. 20554

Re: PCS Auctions for the Entrepreneur's Blocks

Dear Chairman Hundt:

EATELCORP, Inc. ("EATEL") has followed with great interest the FCC's conscientious efforts to perfect a regulatory framework for the auction and license processes governing entry into the PCS market. EATEL is primarily involved in telecommunications; it owns and operates the East Ascension Telephone Company, Inc., which serves approximately 27,000 access lines in the rural area between Baton Rouge and New Orleans, Louisiana.

Presently, EATEL is actively engaged in the process of raising capital for the upcoming PCS auctions for spectrum blocks C and F - the "entrepreneur's blocks". Additionally, EATEL's majority and controlling shareholders are women. Like many others, EATEL's interest in PCS was prompted in part by the Commission's announcement of the "largest opportunity ever" for minority and women-owned businesses to enter a new telecommunications field.

We are writing to you because we believe that you, like ourselves, are personally committed to ensuring the best possible way to balance the numerous goals of the PCS auctions. With that in mind, you may be interested to know that our discussions with investors have revealed that the fulfillment of the Commission's goal to enable designated entities to become viable new competitors requires at a minimum three simple actions.

These actions are: 1) announce specific dates for the C and F block auctions, such dates to follow closely behind the MTA auction process; 2) endeavor to process C and F block license applications concurrently with the MTA applications; 3) where an MTA is granted prior to the C and F licenses in that MTA market, require MTA licenses to offer PCS service for resale, so that a headstart in licensing does not give them a headstart in the market.

Without specific dates for all PCS auctions, investors will be encouraged to wait until the end of the MTA auctions before committing to a designated entity. While designated entities should have the option of obtaining capital from losers of the MTA auction, the

process by which they will obtain capital has already begun. In fact, most entities are securing capital now.

Moreover, the FCC can process short-form applications for the C and F blocks during the MTA auctions. Should an MTA auction loser want to participate in the C and F block auctions, they could still do so under rules which permit minor amendments to the short-form applications. See 47 C.F.R. § 1.2105 (c)(2). Accordingly, the FCC should announce specific dates for all auctions now.

MTA auction winners will no doubt begin clearing sites, advertising their service and making other arrangements as soon as their status as winners is known. Logically, they will be able to receive a license grant, switch on their network, and enter the market first. C and F block winners should not be disadvantaged in this crucial aspect of PCS. The task force hearings held in April have already demonstrated the point that investors believe speed to market is crucial to a successful PCS business.

Accordingly, C and F block winners should have their applications processed as soon as they are filed, concurrent with the MTA license applications. While we realize the extensive burden application processing places on the Commission's resources, it does not seem unreasonable to ask that these limited resources be put to use equally among all applicants.

Additionally, where an MTA license is granted prior to a BTA license within that MTA, the BTA licensee should have the option of purchasing PCS services from the A and B winners for resale. C and F block "entrepreneur's" could then begin advertising and providing service simultaneously with the MTA winners. Moreover, the auction timing decision would thus be neutral with respect to market entry, and not create unintended disadvantages for the entities Congress intended to receive assistance.

We appreciate your attention to the rules governing new PCS services and the associated auctions. We sincerely believe that these two suggestions are the right thing to do for PCS, and urge you to initiate their implementation as soon as possible.

Sincerely,



Ruth Scanlan
Chairman of the Board

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